



Team Thomas
Sustainability
Report 2023



Introduction

At Thomas Concrete Group, care for people and the environment is crucial. That's why sustainability is and has been important to Team Thomas for a long time – a fact that is best illustrated in our Group's Mission statement "To be the closest to customers and together actively contribute to building a sustainable society". Our company has highly competent and committed employees who develop and produce ready-mixed and pre-casted concrete. We care and want to make a difference.

In many ways, 2023 was a year characterized by high uncertainties in the world. The climate changes continued, geopolitical tensions increased, financial depression got closer and the Russian invasion war in Ukraine escalated. Inflation increased in most countries during the first half but started to stabilize and decline during the Autumn. Interest rates were increasing and later maintained on a much higher level. Fortunately, the energy situation in Europe was better than anticipated but the outlook for the coming few years is unpredictable. All in all, the uncertainties had a significant impact on societies, companies and not the least, people.

Nevertheless, Team Thomas has during the year had a tireless focus on the ambition of being the leader in terms of offering sustainable products and services. We have selectively given priority to activities where we can contribute the most. Since cement stands for more than 90 percent of the CO₂ footprint of concrete, we have worked hard on developing and delivering more products with alternative binders, reducing our usage of cement. Our share of delivered THOMAGREEN® products has increased, but still there is a long way to go. Together with architects, developers, contractors, material suppliers and others, we can become much better in the construction industry.

Concrete is an amazing and sustainable construction material. It is natural, beautiful, and creative. Unlike most other material being used that might only last fifty years, concrete can be described as a symbol of sustainability. After all, what other buildings stand for more than 2,000 years, such as the ancient concrete buildings in Rome?

Together with all other companies in the construction industry, we have a great responsibility to be transparent and honest in our efforts to continuously improve sustainability performance. Every material used in construction has its own merits. Hence, it's important to always look at the facts and proven data when making a choice.

I'm proud of what our Group has done in the area of sustainability, but every day we have to actively continue working to improve. Hopefully, you'll find this report inspiring, and a good way to share with others what we do and what matters most at Thomas Concrete Group.

Hans Karlander

CEO and President

Thomas Concrete Group AB



In this report you will find:

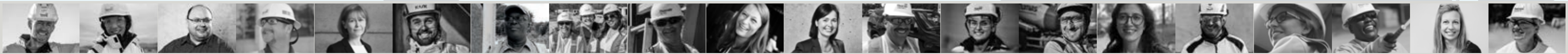
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This is us



"We are Team Thomas, small enough to be quick and flexible, big enough to be efficient and professional"

– Hans Karlander



We are an independent, family owned Group producing and distributing high quality ready-mixed concrete and precast concrete elements to commercial and private customers. Our success is built on the added value we offer in exceptional personal service and technical competence. Our entire Group has a strong focus on environmental responsibility and employee welfare.

We are Thomas Concrete Group
– The Concrete Specialists.

12.1 billion SEK in consolidated turnover
(approx 1,140 million USD, 1,060 million EUR)

167 concrete plants

4 plants for precast elements (SE)

5 import terminals for binders and other raw materials (SE)

1 accredited central testing laboratory (SE)

3 national testing laboratories (DE, PL, US)

5.6 million m³ of concrete produced

5 countries

2,400 employees


Thomas[®]
CONCRETE GROUP

Our Strategic Platform

Our culture

We are a committed team...

- that cares and acts in the best interest of our customers, colleagues and company.
- that constantly seeks possibilities, having high focus on profit and results.
- that is responsible and alert, always striving to be the best.
- that supports each other, sharing energy and having fun.

Our vision

To be perceived as being the best in our industry.

Best in terms of:

- Customer service
- Safety
- Quality
- Mindset
- Way of working
- Financial results

It is all about us

Our customers determine our future

Our heritage

We are an independent, family-owned Swedish company,

with high entrepreneurial and local spirit,

and with reliable, persistent long term thinking.

Our mission

To be the closest to the customers and together actively contribute to building a sustainable society.

Our customer offer

High quality concrete, knowledge and reliable services provided by a committed team.

- On time
- At site
- At agreed price





Concrete is Essential for Building Sustainable Societies

We live in a rapidly developing world where urbanization is at the forefront. There already is, and will continue to be, an increasingly growing need for infrastructure, tunnels, bridges, power plants, homes, schools, hospitals, and office buildings. Concrete is essential for building resilient and sustainable societies. At the same time, all building materials used today have an environmental impact. This creates the challenge of balancing economic growth, social responsibility, and environmental protection.

Determining the degree to which a building material is sustainable requires the evaluation and balance of the economic, social, and environmental aspects of the structure over its entire life cycle. From a life cycle perspective, concrete meets high sustainability demands. Concrete is strong, durable, fire resistant, affordable, and locally available. A concrete structure has a service life that exceeds 100 years, during which it requires minimal maintenance. Concrete has many properties that serve as prerequisites for sustainable construction.

At Thomas Concrete Group, we believe that sustainability creates value for our business, our employees, our customers, our owners, and society. As The Concrete Specialists, we are determined to maximize this value and committed to continuously minimize the negative impact throughout the life cycle of concrete.

The key step to reduce climate impact



Concrete is, for many good reasons, the world's most used building material. Concrete is durable, has a long service life and is resistant to extreme weather, fire, moisture, and mold. For many structures, concrete is the only material that can meet quality and durability requirements. We see concrete as crucial to building robust and sustainable societies now and in the future.

At the same time, the construction industry needs to transition to climate neutrality while maintaining competitiveness, and the pace of the transition must increase. Low carbon concrete is the single most important measure to reduce climate impact. We are working towards a vision of climate neutral concrete. We are actively contributing to research, and we have a leading role developing and supplying concrete with a significantly lower carbon footprint.

Today, there is a tendency for a certain building material to be proscribed at an early stage. This is not only wrong, it also hinders development and innovation. Policies, regulations and not least developers, shall set high material neutral requirements that are performance based and include the whole life cycle. That, in combination with effective collaboration between all actors in the design stage, including concrete manufacturers, will accelerate the transition.

As the Concrete Specialist we are committed to and happy to share our knowledge and expertise through the entire construction project. I am pleased to share our Sustainability Report 2023 with you. It presents our focus areas and KPIs and illustrates what we do to contribute to building a sustainable society.

Karin Gäbel
Sustainability Manager
Thomas Concrete Group AB

Sustainability Governance

Sustainability is closely linked to Thomas Concrete Group's core business through our mission, and we integrate sustainability into all aspects of our business. Our overall objective is to create value for all our stakeholders, both by generating and maintaining the company's economic value and by building a sustainable society with added environmental and social value. Our Strategic Development Committee, consisting of the Group's top management, ensure that the sustainability agenda, long-term targets, and policies are aligned with the company's strategic framework.

To drive and coordinate our sustainability agenda and to guarantee a consistent approach across our Group, we have several Group-wide committees and networks. The Sustainability Work Group focuses on environmental sustainability, the Safety Council on safety and risk-elimination, the HR Network on employees and their well-being, the Technical Meetings on research and development, and the International Marketing and Communications Meetings on sustainability communication.

Thomas Concrete Group has set specific sustainability objectives and KPIs in areas deemed highly relevant for our overall strategy. The KPIs

provide clear targets and make it easy to track our progress and development. To ensure that the targets are met, Thomas Concrete Group also has several policies with principles to guide decisions. These include a Safety Policy, Environmental Policy, Finance Policy, and a Purchasing Policy.

Management teams in our subsidiaries ensure that development projects, target setting, and reporting processes are aligned with the Group's sustainability agenda and adapted to local business and market conditions. They also report on local sustainability performance and progress.

Our Code of Conduct describes the expected behavior of every employee in interaction with colleagues, customers, local communities, and other stakeholders. The Code of Conduct serves as a baseline for personnel in their day-to-day work and is supported by education, routines, and instructions. All members of Team Thomas must adhere to the Code of Conduct.

Our ambition

To be an industry leader in providing sustainable products and services.

Supporting Global Initiatives

Sustainable Development Goals

Thomas Concrete Group supports the United Nations' Sustainable Development Goals and we focus on the goals where we can contribute the most. Throughout this report we have visualized how our actions are connected to the different goals.



Green Taxonomy

Thomas Concrete Group views EU's green taxonomy as a driving force, an important step, and an important tool in enabling the climate transition.



Climate Change

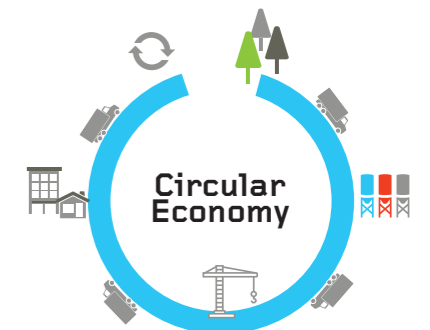
Thomas Concrete Group supports the Paris Agreement. We are working towards a vision of zero carbon concrete to contribute to the construction industry's climate transition.



PARIS2015
UN CLIMATE CHANGE CONFERENCE
COP21·CMP11

Circular Economy

Buildings and infrastructure made of concrete are built to last. With an average service life that exceeds 100 years, concrete is an important building material in achieving circularity. Resource efficiency, reduced and circular use of materials, and minimized waste are important aspects of Thomas Concrete Group's contribution to a circular economy.



Digitalization

At Thomas Concrete Group, we firmly believe that digitalization of the construction industry is key to finding more efficient ways of working. Better transparency and real time data will help us make more sustainable choices in the future.



Balancing the Pillars of Sustainability

To successfully achieve our sustainable development commitments, we base our work in the three pillars of sustainability: society, environment, and economy. By focusing our efforts on these areas, we can assure our contributions embody the entire sustainability spectrum.

Due to its characteristics, concrete provides strong, durable and safe constructions that are energy efficient and require a minimum need for maintenance during their lifetime. Concrete is locally produced. The environmental footprint of concrete can today be reduced by 50 percent, with even greater potential moving forward. Besides, concrete is a material that can be used long term – and has so been. Concrete structures that were built over 2,000 years ago are still functional today. On top of this, it is 100 percent recyclable.

Concrete is literally the foundation on which we build our sustainable societies. Therefore, concrete is, at its core, a sustainable material.



Our Focus Areas and KPIs

Safety

We put safety first and engage employees in the importance of it. All employees are educated in safety procedures in order to stay safe and avoid risks at our plants and at construction sites.

Read more on page 58

LTi (Lost Time Injury)
TARGET < 14.25
2025

ACTUAL 16.2
2023 2022 2021
 16.4 16.7

Binder optimization

In order to provide low carbon products, we are optimizing the binder content in our ready-mixed concrete. By introducing alternative binders and reducing the content of cement, the climate impact can be reduced significantly.

Read more on page 44

Alternative binders
TARGET > 50 %
2025

ACTUAL 28 %
2023 2022 2021
 26 % 27 %

Engagement index

We care for the health and well-being of all employees. We aim to become the best in our industry by building a strong Team Thomas.

Last survey was conducted in 2021. Next one will be done in 2024.

Read more on page 62

EI (Engagement Index)
TARGET > 86
2025

ACTUAL 83
2023 2022 2021
 83 83

Energy & emissions

We are taking action on reducing our energy consumption in terms of making our production and transportation fleet more energy efficient, and by reducing our fossil fuel dependency.

Read more on page 48

Energy consumption
 (kWh/m³)
TARGET < 5
2025

ACTUAL 8.7
2023 2022 2021
 7.9 8.2

Economy

In order to have a sustainable development of our company, we need to have a solid base and a profitable business securing the future of the Group.

Read more on page 75

Solvency
TARGET > 40 %
2025

ACTUAL 52 %
2023 2022 2021
 46.9 % 48.0 %



Our Green Offer



Our Green Offer



We have developed Our Green Offer to facilitate the choice and use of low carbon concrete. The offer brings together products, knowledge, and services offered by Thomas Concrete Group, to contribute to sustainable and low carbon concrete construction.

As The Concrete Specialists, Thomas Concrete Group are continuously developing Our Green Offer products and services.

Products

THOMAGREEN

is a type of concrete that has a lower CO₂ footprint than traditional concrete, while maintaining the same high quality, function, and performance. This is achieved by replacing parts of the cement with alternative binders and optimizing the amount of binder in the concrete. Admixtures are used to optimize the use of cement and the performance of the concrete, while aggregates are used to improve binder usage, water usage, performance, and environmental footprint. Recycled aggregates can also be used. In addition to using alternative binders, CarbonCure Technology™ is offered on the US market.

THOMABLOCs

are smooth concrete blocks that come in a variety of sizes and are casted with residual concrete. They are a sustainable way of reusing concrete and can be used for multiple applications, such as storage bins and security barriers. THOMABLOCs work like large LEGOs for stacking and interlocking.

Services

Across our Group we offer a range of services that complement our sustainable and low carbon products. These services are designed to help customers choose the right products. For example, we assist customers with concrete optimization regarding strength, alternative binders, and environmental footprint. We also offer different CO₂ savings estimations and simulations of heat and strength development of the concrete to foresee necessary actions to be taken at the construction site.

We can provide specialized advice during the design phase, optimizing concrete designs and proactively addressing construction issues. We cover all aspects of concrete performance, leveraging the latest technology. Additionally, we create or review specifications to enhance durability and constructability.

We also offer Environmental Product Declarations (EPDs) across the Group for our products and projects to increase transparency and help customers make more sustainable choices. An EPD is an official disclosure of the environmental performance of a product or material. The declaration is reviewed by a third party, verified, and registered in an EPD system.

In addition, we offer digital services such as My Concrete® customer portal, digital strength monitoring, and forecast of future strength development to support easy and effective use of Our Green Offer.



Digitalization

Digitalization is closely connected to Our Green Offer as it facilitates and supports our customers in using low carbon products. At Thomas Concrete Group, we believe that the digitalization of the construction industry will be key to finding more efficient ways of working. Better transparency and real time data will help us make more sustainable choices. Therefore, we invest in business development projects and actively seek out new possibilities to create digital services for our customers on our digital platforms.

Digital services

Data is a crucial component in the journey towards sustainability

The vast amount of concrete data collected from different jobsites under various conditions is an invaluable asset for further improving the sustainability characteristics of our concrete.

We work closely with our R&D department and customers to understand what data is needed to facilitate sustainable choices, such as moisture and consistency data. We continuously investigate how this data can be extracted by evaluating different sensors and performance tests, and we strive to make the results easily available for our customers via digital services.

We are convinced that the need for services that help customers reduce waste, save time and money, and become more sustainable will continue to grow. We are committed to being at the forefront of this development.

My Concrete®

Our customer portal My Concrete® is our platform for providing improved digital services to our customers. The application facilitates and streamlines order and delivery management, offers real time tracking and push notifications about deliveries, and gives our customers the opportunity to download digital delivery tickets. With the help of My Concrete®, customers can better plan and coordinate their work at construction sites, thus optimizing concrete transportation and placement time.



Monitoring Maturity with Sensors

Since 2021, we offer an easy to use plug-and-play service that allows our customers to monitor, in real time, the maturity development of their concrete. In-depth information about the maturity progress is sent directly to the My Concrete® portal for our customers to view, and a maturity report is available for download for each measurement. This allows for our customers to better plan their construction schedule, save time and money, and reduce waste.

Real time insights of concrete properties and performance on the jobsite will help the customer take the right actions to ensure quality of the cast and reduce potential energy losses and waste.



Forecast of future strength development in real time

Since 2021 we are also offering real time forecasts of future maturity developments. By using AI and weather data, we can provide a forecast of when the concrete will have reached its target strength. In doing so, we help our customers fine-tune their construction schedule and reduce waste, saving both time and money on the jobsite.

Combining local weather data with real time insights and forecasts on concrete maturity also make it easier for our customers to select more sustainable concrete mix designs with a higher content of alternative binders.





In Practice

Poland

Thomas Beton in Poland is producing and delivering high volumes of concrete with a large proportion of alternative binders as a standard.

The interest in sustainable construction is continuing to increase in Poland. In 2023, Thomas Beton further developed their green offer THOMAGREEN to support the Polish market's growing demand for low carbon products and solutions. This gives customers the possibility to decrease the environmental footprint which, in turn, enables certifications such as LEED and BREEAM. The products have been positively welcomed by the internal organization and customers.

For the first time in the history of infrastructure investments carried out by Thomas Beton in Poland, CEM II/A-LL cement was used to produce structural concrete for bridge structures, instead of the previously commonly used CEM I cement (OPC), which allowed for further reduction in CO₂ emissions.

The application of this new concrete was preceded by a period of extensive preliminary tests, both their own and those conducted in the contractor's and investor's laboratories. As a result, the suitability for the intended use was confirmed, achieving full compliance of the key properties of the concrete with the requirements of the technical specifications.

All THOMAGREEN products use the minimum amount of cement according to what is approved by current Polish standards.

USA

Thomas Concrete, USA, offers THOMAGREEN products produced with various alternative binders and CarbonCure™ technology. Throughout 2023, Thomas Concrete, USA, has continued internal training on the THOMAGREEN low carbon products and services available under Our Green Offer. Concomitantly, the teams have presented Our Green Offer at various customer events to drive external awareness of THOMAGREEN options.

An assessment on how THOMAGREEN performs compared to the published industry baseline has been carried out. The results show that the performance is in line with, or better than, the industry average in all five divisions.

Limestone cement was introduced as a replacement for ordinary Portland cement in some markets during 2022, and in 2023, limestone cement has become the primary binder offered in all markets, shipped from over 95 percent of their plants. This replacement reduces the CO₂ footprint of the concrete without impacting performance or quality.

Raising awareness of the potential of low carbon concrete and Our Green Offer has been an elevated focus point for both internal training and external customer events. The foundation for this includes a structured, goal-oriented program of internal education on Our Green Offer, aiming to increase knowledge of how to communicate the offer to the market.

The environmental impacts of THOMAGREEN products can be compared with other industry products using product-specific Environmental Product Declarations (EPDs) from a certified plant. Customer demand for product-specific EPDs has increased, leading to the certification of two additional plants: Ben Hill plant in Georgia and the Seneca plant in South Carolina. Currently, 577 product-specific EPDs are readily available, and in 2023 alone, 41 new EPDs were generated. Each year the EPDs are updated internally and verified by a third party for recertification.

THOMABLOC continues to be an important product, and in total, 15,299 blocks have been produced in 2023 total.





Sweden

Thomas Betong, Sweden, has during 2023 expanded the offer and increased the number of low carbon products, both for ready mix products and for precast.

The demand for EPDs has increased and the work has been intensified further. In total, 45 new EPDs were produced during the year.

The environmental transition plan for precast products included investing in new silos for alternative binders, environmental training for sales and production staff, and use of digital sensors for strength measurement.

One important milestone is that Thomas Betong managed to produce floorplates Thomagrön level 4 in one plant. This was successfully done without any big loss in production capacity.

Swedish Environment Research Institute (IVL) released a report containing environmental analyses for a residential concrete building. The report shows that it is possible to reduce the carbon footprint for the building by 50 percent when Thomagrön low carbon concrete products from Thomas Betong are used.

Services for supporting customers with planned castings during the colder season becomes more and more important with an increased use of low carbon concrete Thomagrön. Therefore, Thomas Betong continued to implement digital services to help customers with updated technical information.

According to an independent report from the IVL Swedish Environmental Institute, a cast-in-place concrete frame with semi-precast from Thomas Betong can achieve a CO₂ emission of 200 kg/m² gross area.

Germany

Thomas Beton in Germany offers concrete with CSC-certificates to enable customers to receive credits in green building rating systems such as BREEAM, DGNB, QNG, and Envision. The certification is provided by the Concrete Sustainability Council and has four levels. Since January 2023, Thomas Beton has re-certified plants, and in addition, another six plants were added to the list. In total, 15 plants are currently certified.

THOMAGREEN has three levels providing customers additional values. Within THOMAGREEN BRONZE, the use of hard coal fly ash as an alternative binder is guaranteed, and the customer gets a number of CO₂ per cubic meter of concrete on the delivery ticket. Within THOMAGREEN SILVER, the lowest carbon footprint concrete is provided together with an in-house verified EPD. Within THOMAGREEN GOLD, an external verified EPD is added.

During 2023, more Environmental Product Declarations (EPDs) were created through Global Cement and Concrete Association (GCCA), and 151 products were verified. Nine of the certified plants have the additional CSC CO₂-module (eight plants with three stars, one plant two stars). Three stars mean that the plant is able and verified to produce THOMAGREEN with more than 50 percent CO₂ reduction in correlation to the German reference values. Within five plants, we achieved the additional CSC R-module with three stars. Three stars mean the plant is able and verified to produce R-concrete with substitution rates of more than 50 percent coarse gravel. Furthermore, the production of combinations of CO₂-reduced concrete with recycled aggregate is possible and verified now.

In 2023, 2.159 THOMABLOCs were produced.





Sewage treatment plant Sickla, Sweden

Product:
Thomagrön Nivå 1 C 32/40 16 S4 Anl
FA

Customer:
Veidekke

Volume:
30,000 m³

Savings:
10% CO₂ emissions

NullEmissionshaus Hamburg, Germany

Product:
THOMAGREEN silver

Customer:
Helmut Kallage
Bauunternehmen GmbH

Volume:
4,500 m³

Savings:
45% CO₂ emissions



Image: Heinle Wischer und Partner

Reconstruction and modernization of the sewage treatment plant Damnica, Pomeranian Voivodeship, Poland

Product:
THOMAGREEN

Customer:
MELBUD S.A.

Volume:
798 m³

Savings:
62% CO₂ emissions*

*compared to OPC (CEM I 42,5)



667 Auburn, Mixed Use (Office, Retail, Restaurant) Atlanta, GA, USA

Product:
THOMAGREEN mixes with 1L Cement,
fly ash, slag, Xseed, and Carbon Cure

Customer:
Choate Construction

Volume:
10,692 cy

Savings:
12.18% CO₂ emissions

Klassrummet Mölndal Mölndal, Sweden

Product:

Skalvägg Thomagrön nivå 3,
Plattbärlag Thomagrön nivå 3,
Balkong Thomagrön nivå 3,
Massivvägg (not low carbon)

Customer:

Skanska

Volume:

9,245 m² slabs, 4,940 m² walls,
1,140 m² balcony, 245 m² solid walls

Savings:

30 % CO₂ emissions



Construction of a new gas and steam power plant Grudziadz, Kuyavian- Pomeranian Voivodeship, Poland

Product:

THOMAGREEN

Customer:

MYTILINEOS S.A.

Volume:

2,963.50 m³

Savings:

58 % CO₂ emissions*

*compared to OPC (CEM I 42,5)

Tichelhaus – Willy-Brandt-Straße 69 Hamburg, Germany

Product:

THOMAGREEN silver

Customer:

AUG. PRIEN Bauunternehmung
GmbH & Co. KG.

Volume:

4,000 m³

Savings:

42 % CO₂ emissions



Image: QUEST Investment Partners

Gadsden + Greene Student Housing Spartanburg, SC, USA

Product:

THOMAGREEN with fly ash and
carbon cure

Customer:

New South Construction

Volume:

17,000 cy

Savings:

15.60 % CO₂ emissions





Environment

Thomas[®]
Specialist
pembelung

Environment



Environmental Policy

Thomas Concrete Group has a vision to reduce our long term environmental impact in all local and global processes. We will continually strive to develop solutions for a sustainable society of tomorrow.

Our Team mission is to integrate all business measures to reach this goal. With clearly defined objectives, compliance accountability, common development, and good dialogue, we desire to be our customer's first choice concrete producer.

We clearly care for the environment of the present and future generations.

Permits, Regulations, and Industry Requirements will always be treated as our minimum level of environmental performance.

Environmental Objectives 2025

> 50 % alternative binders

< 5 kWh per produced m³ concrete

Life Cycle Assessment of Concrete

At Thomas Concrete Group, we have worked with Life Cycle Assessments (LCA) for many years. By assessing the environmental impact at all stages of the concrete life cycle, we can prioritize and adapt our sustainability work and our process and product development.

Raw Materials

The LCA of concrete shows that most of the environmental impact originates from the production of required raw materials. The impact is mainly due to the significant emissions of carbon dioxide from cement, which is one of the binders in concrete. When limestone, the main raw material in cement, is heated during cement manufacturing, carbon dioxide is released. As much as 90 percent of the carbon emissions connected to concrete production comes from cement production.

Read more on page 42.

Production and Distribution

The production of the concrete itself has relatively low environmental impact. Energy is used to mix the concrete and to heat or cool water and aggregates depending on season.

Concrete is produced near the construction site with local raw materials, which reduces the impact of transportation on the environment and society.

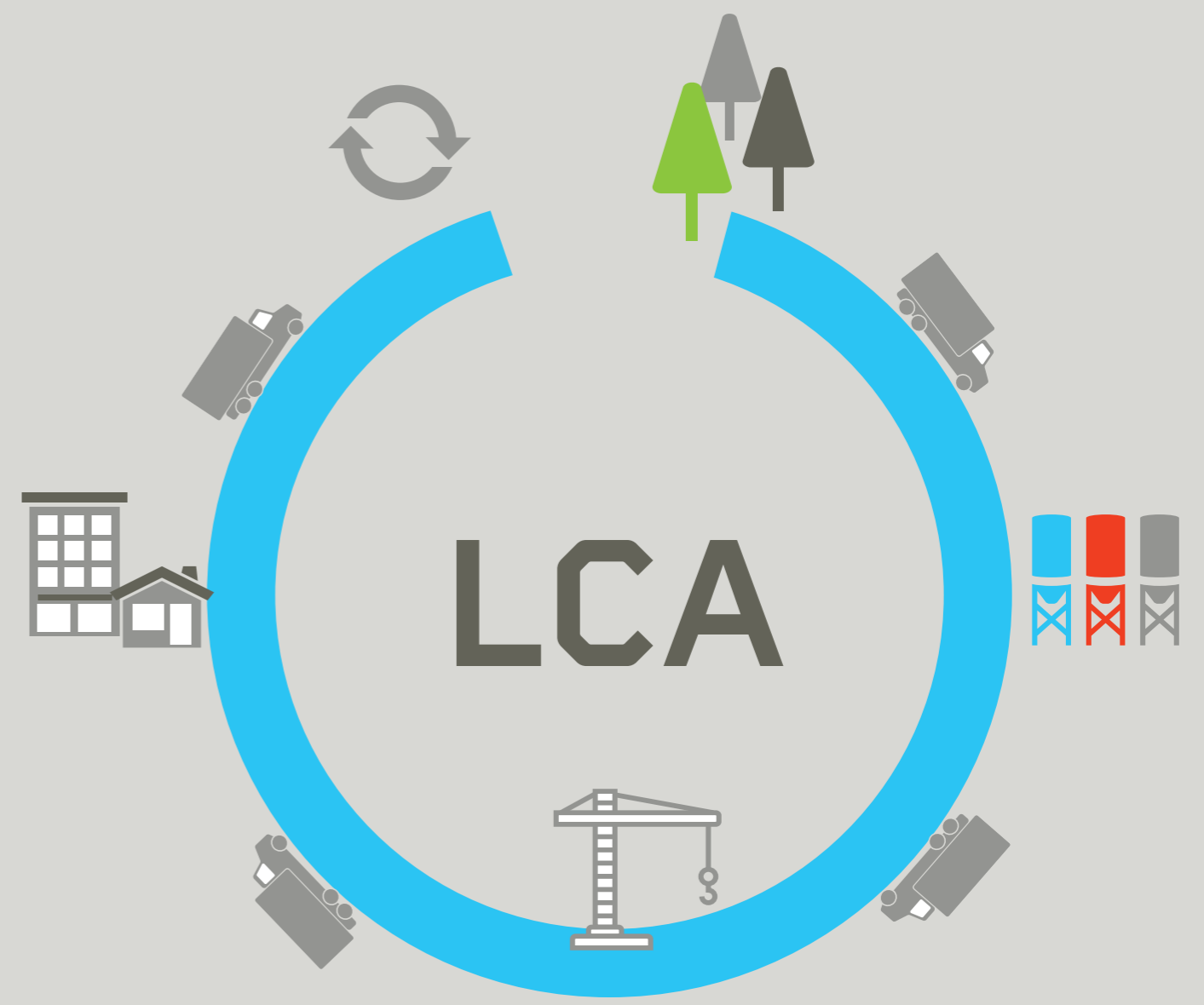
Read more on page 48.

Operation, Maintenance and Use of Concrete Structures

Concrete is a durable material with a long service life. It requires little to no maintenance, and its ability to store both heat and cold saves energy. A concrete structure absorbs carbon dioxide throughout its entire life cycle. This completely natural process is called carbonation, and it does not affect the properties of the structure. Up to 20 percent of the carbon dioxide released during the production of the structure can be absorbed over its life cycle. From a life cycle perspective, concrete structures have low environmental impact.

End of Life

Concrete is 100 percent recyclable and crushed concrete absorbs CO₂ at an even faster rate.





Raw materials

Concrete mainly consists of three natural raw materials: aggregates, binders, and water. Additionally, various admixtures that improve the properties of the concrete are included in small doses.

Thomas Cement continues to import ground granulated blast-furnace slag (GGBS), which significantly reduces the CO₂ footprint of the concrete.

The company also imports raw materials via its subsidiary, Stockholms Bulkhamn, which enables them to optimize the quality and improve the environmental performance of the concrete.



The raw materials in concrete are:

aggregates 65–75%

water 15–20%

binders 10–15%

Concrete also contains <1% of admixtures





Binders

In 2023, Thomas Betong in Sweden continued the expansion of new silos at all precast plants, which makes it possible to use both slag and several different types of cement with improved climate performance.

In 2023, Thomas Concrete, USA, increased its use of alternative binders from 23 percent to 25 percent. They also added additional slag storage capacity at three plants in the Georgia division, creating capacity to hold additional volumes of alternate binder materials.

At Thomas Beton, Germany, the THOMAGREEN concept increased the consumption of CEM III/B 42.5 cement. This cement contains more than 75 percent GBFS. In combination with the use of fly ash, more than 50 percent CO₂ reduction can be reached, compared to the German industry reference.

Water

Water is a crucial component in the production of concrete, and it is also necessary for maintaining clean trucks and plant mixers to avoid concrete build-up. Thomas Concrete Group aims to achieve a circular water economy.

At 72 percent of all their plants, Thomas Concrete Group has implemented water recycling systems, and installing these systems is now a standard procedure at their new establishments. In the recycling systems, water that has been used to clean the trucks and mixers is separated from concrete residues

in sedimentation ponds. The treated water is then reused in concrete production to reduce the use of fresh water.

At Thomas Betong, Sweden, the water recycling system consists of several ponds between which the water is pumped to allow for further separation between the water and the concrete residue.

In 2023, Thomas Beton, Germany, continued with their water-saving concept. Three more plants (Buxtehude, Glinde, Risum-Lindholm) received a semi-automatic truck cleaning system.

The plant in Kiel got a new concrete waste water recycling device.

At Thomas Concrete, USA, two additional water purification systems were added that are used to separate solids from water. This brings the total to seven units in the United States. In 2023, 70 percent of the plants can produce concrete with recycled water. At some plants, it is also possible to safely discharge water back to the environment due to the use of applied technologies combined with the purification systems. In this process, the water is treated with CO₂ to adjust the

pH to the correct level. Meanwhile, 70 percent of the CO₂ is absorbed in the process.

Thomas Concrete also completed a project at the Tyrone, Georgia plant that involved enlarging the recycling water pond. This additional capacity will enable the collection of stormwater from the neighboring quarry and use stormwater in producing concrete, reducing the need for city water or well water.

Alternative Binders

TARGET 2025 > 50 %

ACTUAL 2023 28 %

2022 26 %
2021 27 %





Aggregates

The choice of aggregate determines not only the quality of our product but also its environmental impact. The texture of the aggregate surface affects the amount of water needed in the composition, which in turn affects the need for additional binder. Aggregates have changed from natural stone to quarried, which often increases the water demand due to the altered texture. Therefore, we are actively searching for new compositions of aggregates that have textures that will reduce the amount of binder needed.

During 2023, Thomas Beton, Germany, integrated the use of R-aggregate (recycled aggregate) into their THOMAGREEN concept. Besides the CO₂ reduction in some cases, the use of R-aggregate is required.

Concrete admixtures

Admixtures are added to concrete to improve its properties and provide functional, economic, and environmental benefits.

At Thomas Betong, Sweden, the optimization of recipes with reduced cement content continues at several plants. Concrete for

precast has improved significantly during the year, where the offer now includes a large number of low carbon precast products.

At Thomas Beton, Germany, frost/thaw resistant concrete with solid air has carved out a niche for itself. Mass concrete with CEM III/A 42.5 cement or concrete with high consistency classes produced with solid air increased during 2023. Within their backfill concept, they went from the use of polystyrene particles back to the use of ultra foam entrainers.

Reinforcement steel

At Thomas Betong, Sweden, the precast products include steel, which is a common form of concrete reinforcement. About 90 percent of the reinforcement steel used in slabs is manufactured in-house, allowing them to fabricate the mesh and girders exactly according to the drawings, virtually eliminating waste for these products. Furthermore, 100 percent of the steel used in-house is recycled.

They are currently working on the procurement and replacement of reinforcing steel with lower climate impact.

Production and Distribution



Our concrete plants are primarily powered by electricity. Additional energy may be required to heat or cool aggregates and water during cold or hot seasons and is almost exclusively driven by heating oil, except for a few plants which have natural gas as an energy source. We also conduct energy audits at all our plants to assess and improve our energy performance.

Thomas Concrete, USA, has been working with a vendor on evaluating a highly energy-efficient cement blower, and while the results are early, it is promising for the future.

Thomas Beton, Germany, installed a new liquid gas-based concrete

heater at one plant. Furthermore, they continued to use green electricity and saved 550 tonnes of CO₂.

At Thomas Betong, Sweden, EPD-certified renewable and climate-neutral hydropower has been used since 2019 and continued in 2023. During the year, environmental mapping has been conducted in Sweden, including energy, environment, waste disposal, and water usage. The mapping is providing a guide to identify areas of improvement and a foundation for upcoming improvements.

During 2023, Thomas Concrete Group continued to work to reduce energy use throughout the organization. For instance,

both Thomas Beton, Germany, and Thomas Concrete, USA, have had information campaigns to make every employee take responsibility for saving as much energy as possible at plants, offices, trucks, and pumps. Both energy- and diesel-saving programs are ongoing throughout the Group. In addition, replacements of light with LED is continuing.

Concrete is a local product made with locally sourced raw materials. It is distributed within one hour from the concrete plant, which allows for short transportation distances and low carbon emissions. We work actively at further optimizing our deliveries and transportation distances.

Thomas Concrete Group is committed to continually investing in their fleet by replacing old trucks with new ones to reduce CO₂-emissions, as well as oil and fuel usage. In 2023, Thomas Concrete, USA, invested in an additional 60 new trucks to replace those trucks older than 12 years. Newer trucks not only have fewer emissions, but they also have ergonomic improvements for the driver, contributing to the well-being and comfort of the delivery professional.

At Thomas Beton, Germany, 5 truck mixers, 1 concrete pump, and 1 silo truck for binders were newly purchased. Furthermore, the individual diesel consumption of each truck is checked monthly with immediate follow-up in the event of anomalies.

Thomas Betong is developing their vehicle fleet in both Stockholm and Gothenburg with hybrid pumps. It is one of many measures we take to ensure that our business is as sustainable as possible.

Energy & emissions				
kWh/produced m ³ concrete				
TARGET 2025	< 5			
ACTUAL 2023	8.7	2022	2021	
		7.9	8.2	





Research and Development



Optimized structural design, low carbon concrete, and higher structural utilization ratio holds great potential for CO₂-reduction

C-lab®

C-lab® is based in Gothenburg, Sweden, and is Thomas Concrete Group's accredited (ISO/IEC 17025) centre for material and laboratory testing, technical consultation, and research and development. We are one of a few global concrete suppliers to operate our own research and development facility.

During 2023, 5,918 accredited testing assignments of concrete, aggregates, and binders were conducted according to national and international standards.

To meet the increased demand of testing we expanded our premises with a new room dedicated to freeze-thaw testing to facilitate our 16 temperature controlled freezing chambers. We also received an accreditation for testing the potential alkali-reactivity of aggregates according to RILEM AAR-2 and ASTM C1260.



Low carbon concrete towards net zero concrete construction

The global demand of concrete in 2023 is estimated to have been 14 billion cubic meters, making concrete, by far, the most widely used construction material. Concrete is, therefore, an essential part of everyone's lives. It is key to build sustainable buildings and infrastructure facilities. With the widespread use, it is no surprise that the cement and concrete industry accounts for 7 to 8 percent of the total global CO₂ emissions, which is comparable with the steel industry (7 percent) and the textile industry (10 percent).

At Thomas Concrete Group our R&D is committed to develop innovative products and process improvements in construction in order to minimise the CO₂ emissions. To this end, we have continued our research activities into concrete mix optimization and alternative binders for low carbon concrete solutions. When it comes to low carbon or net zero buildings, an effective collaboration between architects, designers, contractors and the concrete supplier is necessary. By specifying low carbon concrete formulations and optimizing the volume of material used, including reinforcement, the carbon emissions from the concrete frame can be reduced by up to 50 percent. Only by a more rigorous application of codes and more efficient structural design, by not over designing, a reduction of 20 to 30 percent can be achieved without compromising the performance. In 2023 Thomas Concrete Group partnered with IVL,

the Swedish Environmental Research Institute, to assess the potential CO₂-reduction in the design phase with an LCA study of a typical Swedish multi-family residential building. Our research shows clearly that a reduction, from current standard practice, of 30 percent is easily achieved by a more detailed and optimized structural design and by not over specifying the concrete strength. Higher reductions, up to 40 percent, can be achieved by utilizing low carbon concrete with a high cement replacement, but this may require additional measures to avoid affecting the construction schedule. Further optimizations are possible, and we see that a 50 percent reduction is achievable. What is also interesting is that for an optimized concrete frame, its contribution is only 35 percent and other building components contribute more. The conclusion from this LCA study, and other research, is that we need to see a more sensible use of materials in the construction sector if we are to meet the net-zero target in a sustainable and economically feasible way. The construction sector needs to embrace the concepts of "building clever" and "building more with less".

Ingemar Löfgren
R&D Manager
Thomas Concrete Group AB



Research Projects

Alternative binders

At Thomas Concrete Group we have intensified our research on alternative binders (supplementary cementitious materials, SCMs). During 2023, the reactivity and hydration of several different natural pozzolans and industrial byproducts (e.g. metallurgical slags) have been evaluated. By combining tests on heat development (isothermal conductive calorimetry), strength development and thermogravimetric analysis we have been able to rank these SCMs with respect to reactivity and categorize them. This research allows us to understand the potential of existing and future emerging SCMs and we will continue our research and investigate durability and other properties of concrete with new SCMs.

For our currently used alternative binders, we have utilized isothermal calorimetry to explore the effect of existing and newly developed accelerators. This has allowed us to assess the optimal performance of our Thomas Branded Products for rapid hardening concrete. The result of this project allows us to optimize our mixes with respect to performance as well as carbon footprint, especially for low-carbon concrete.

In close cooperation with Chalmers University of Technology, research have been conducted to improve our understanding of how SCMs interact with water during hydration and in the hardened concrete. In the research project, water vapour (sorption isotherms) and N₂ isotherms was used to unveil effects of SCMs on nanopores and evaluate hydration degree¹ and a non-destructive test system to monitor hydration and strength development of low carbon concrete based on resistivity was developed². This research project has significantly advanced our know-ledge on how SCMs affects the pore structure and water interaction, with the developed monitoring system we will be able to follow the hydration and how the pore structure evolves and refines with the addition of SCMs.

¹ <https://doi.org/10.1016/j.cemconres.2022.107042>

² <https://doi.org/10.1016/j.conbuildmat.2023.133774>



BETCRETE 3.0

BETCRETE is a Swedish research project with the goal to enable and accelerate the implementation of the cement and concrete industries roadmaps for carbon-neutral concrete construction. The project brings together 24 partners along the value chain and is coordinated by Research Institutes of Sweden (RISE). Thomas Concrete Group was one of the initiators and is actively contributing to the project.

Associations and Certifications

We strengthen our business processes and methods by following key standards and certifications outlined by the industry and through our participation in sustainability driven associations.

International Organization For Standardization (ISO)

Thomas Betong, Sweden, and Thomas Concrete, USA, are quality and environmentally certified in accordance with ISO 9001 and ISO 14001. Their progress is audited annually by an external party, holding their performance to a high standard of continuous improvement.



The Swedish Concrete Association

Thomas Betong, Sweden, is a member of the Swedish Concrete Association. They are conducting several activities to promote sustainability in the construction industry, with a large focus on long term thinking.



Svensk Betong

The Concrete Initiative

In Sweden, Thomas Betong is also a part of the Concrete Initiative, a group whose goal is to bring climate-neutral concrete to the market by 2030, and to make it universal by 2045. .

National Ready Mixed Concrete Association (NRMCA)

Thomas Concrete, USA, is a member of the NRMCA, which is active in a number of initiatives to make the industry more sustainable.



Bundesverband Transportbeton (BTB) – Vero Association

Thomas Beton, Germany, is a part of a regional association for building materials named “Vero”. Vero is a member of the ready-mix concrete Association BTB. BTB is the national provider for the CSC-certification. Additionally, they are involved in training initiatives for operators and drivers.



Ready Mixed Concrete Producers Association (SPBT)

Thomas Beton, Poland, is part of the SPBT, which for almost twenty years has been promoting concrete as an economical, sustainable, safe, and durable construction material.



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Team Thomas



Our culture

We are a committed team...

- that cares and acts in the best interest of our customers, colleagues and company.
- that constantly seeks possibilities, having high focus on profit and results.
- that is responsible and alert, always striving to be the best.
- that supports each other, sharing energy and having fun.

Social Objectives 2025

EI (Engagement Index) > 86

LTI (Lost Time Injury) < 14.25



Safety First

We always put safety at the top of our agenda. Thomas Concrete Group is working towards making safety much more than compliance. Safety is about our people, our customers, our teamwork, and our culture. In addition to keeping up with mandated government requirements, we continuously implement new safety measures.

Lost Time Injury

TARGET 2025	< 14.25		
ACTUAL 2023	16.2	2022	2021
		16.4	16.7

Safety Vision

We are a committed team that cares and acts in the best interest of our customers, colleagues and company.

Our company vision is to be perceived as being the best in our industry, including safety first.

We lead with safety and promote a culture where all employees value safety as a way of life.

Safety Policy

We ensure that safety is a value in every aspect of our business and measure it regularly.

We insist on a safe operating environment, application of safe operating procedures, and employee compliance with all company safety policies and governmental regulations.

Hans Karlander
CEO and President, Thomas Concrete Group AB



Safety awareness

At Thomas Concrete Group, we believe that an important step to increasing safety at work is to be aware of the safety issues and the risks in their surroundings to prevent them. We also highlight safe behavior and safe actions.

A well-celebrated tradition at Thomas Concrete, USA, is the annual safety banquet where the concrete delivery professionals who qualify as safe drivers are honored. In the spring of 2023, these banquets took place across their US footprint where all employees were invited and encouraged to bring guests. In total, over 1,000 guests attended multiple safety banquets.

Additionally, Thomas Concrete's Safety department created a specialized Sales Safety Brochure. This brochure was crafted to convey the company's safety emphasis to customers.

In 2023, Thomas Betong, Sweden conducted a very successful safety week where the focus was on securing their facilities for winter. Activities were carried out at all facilities where, in a pleasant way, the focus was on identifying any shortcomings, finding smart solutions, but above all, clarifying who is responsible for the coordination at the workplaces.

Making concrete requires more than just the plant; wheel loaders are needed as well. Thomas Beton, Poland has tried different brands over the years, considering factors like efficiency, eco-friendliness, safety, and service. Four new wheel loaders were initially purchased to replace

older models, and Thomas Beton continued to update the fleet in 2018, 2019, 2021, 2022, and 2023. The plan is to continue this path and make more replacements when the market allows.

In 2023, Thomas Beton, Germany prioritized the safety of its employees by improving their Personal Protection Equipment. This year, the company equipped its employees with hard hats that have visors, providing additional protection.

Safety at the silos

In 2023, Thomas Betong, Sweden, prioritized silo safety by investing in new silos. However, the majority of the silos are still older. To ensure satisfactory security, targeted security rounds were carried out on each silo.

We ensure that safety is a value in every aspect of our business and measure it regularly.





Well-Being and Health

At Team Thomas, we strive to create a sound working environment for all our employees. We work to establish an atmosphere that emphasizes physical safety and encourages a creative exchange that allows us to speak our mind and influence our work. We believe this will contribute to healthy and happy colleagues.

Engagement Index

Last survey was conducted in 2021.
Next one will be done in 2024.

TARGET 2025 > 86

ACTUAL 2023 83 2022 83 2021 83





Prosperous employees and teams

At Thomas Concrete Group, we believe that healthy and prosperous employees create a win-win situation when we work together to improve ourselves, our working environment, and Team Thomas. We are committed to offering a great workplace where all employees thrive. Collaborations between employees in different teams, locations, and professions have contributed to increased production, improved working conditions, gained knowledge, and thriving employees.

At Thomas Beton, Germany, the company ensures that employees who are on sick leave for a longer period of time or returning from a long illness become part of the company's integration management. In some circumstances, they receive additional special occupational health care so that they can return to work. Employees who have been on long-term sick leave are supported as part of the phased reintegration program.

Thomas Beton, Poland, has decided to introduce Compensa medical insurance for all Thomas Beton employees as of April 2023. The basic variant of the package is paid for by the employer. Employees also have the option to choose higher variants, for themselves and for family members. The insurance provides quick access to doctors of various specialties depending on the variant chosen.

Sila Snacket or "Watch your mouth" is a Swedish construction industry initiative that works towards achieving more inclusive workplaces and a jargon suitable for everyone. Thomas Betong, Sweden wants everyone to have the opportunity to thrive and feel welcome at work. Throughout 2023, workshops and inspirational lectures about "Watch your mouth" have created great commitment. This work is completely in line with Team Thomas' culture.



Facing a declining market

There are significant differences between Europe and the US markets. In the US, there are still growth opportunities, while in Europe, we must carefully manage capacity in alignment with demand.

Thomas Betong, Sweden, has faced a greater impact of the market decline than any other country in the group. However, there is an underlying long-term need to build housing. The company has adapted its organization to the current situation while ensuring that it stands strong when the construction market recovers and is able to gear up.

Thomas Betong has responded to the decline with openness and transparency in communication and in many small steps. Since the beginning of the year, the company has reduced its organization by around 50 people. Initially, staffing and short-term contracts with employees were terminated. When someone quit, they rarely recruited replacements, but solved it with the existing team in order to adapt to estimated volumes in 2024.

The management team usually travels around and has local meetings with the teams. This year, it was more relevant than ever to meet and talk openly about where we are and how we deal with the future. The company has drawn energy from the fact that it is a strong and highly competent Team Thomas, proud to be the Concrete Specialists who actively contribute to a sustainable society.

Concrete Delivery Professionals Project

Over the years, the CDP training guide at Thomas Concrete, US, has evolved. Historically, a library of paper checklist forms was used, which had to be completed, signed, and scanned into the training database. It became apparent that a different, more professional solution for both the dedicated trainers and new employees was needed. A small committee was formed, consisting of the safety management team who reviewed and improved the training materials. Now, when a newly hired CDP arrives at Thomas Concrete, the trainer and the trainee have a professional training manual to guide them through the training/orientation process.

Driver Training and Orientation Procedures Manual. The results were excellent.

Sharing Knowledge

Sustainability education, including how to better communicate and sell Our Green Offer to customers and prescribing customers, has continued across the Group in 2023.

At Thomas Concrete Group, we believe that our success depends on our personnel, their engagement, and their ability to perform. We are committed to sharing knowledge along with daily tasks to lead the way for our personnel and make us the leader in our field as The Concrete Specialists.

At Thomas Betong, Sweden, there are about 50 pumps with machinists in four regions. In collaboration with the partner PM Nordic, local training has been carried out to make the pumps last longer with the right maintenance. The training also aimed to increase knowledge of how to influence and reduce fuel consumption, thus reducing environmental impact. In the near future, it will be possible to compare fuel consumption between different pumps and their operators.

In 2023, Thomas Beton in Poland continued to introduce more frequent health and safety trainings for plant workers to raise awareness among employees, remind them of the rules, and counteract routine behavior.

At Thomas Beton Germany, passing on know-how internally, especially to new colleagues, is important. Training courses are held by colleagues for colleagues. Especially in the concrete technology area, new employees are trained internally by colleagues. These internal trainings are supplemented by external seminars in the field of concrete or within the scope of our annual truck driver trainings. The sales staff in northern Germany received product training at the Nordbau trade fair.

At Thomas Betong, Sweden, an internal training with over 100 participants was conducted to increase knowledge of life cycle assessment (LCA) and environmental product declaration (EPD). The agenda included information about the EPDs that are relevant to our business, as well as how they are used in connection with inquiries, proposals, and supplying projects. Finally, they talked about climate declarations and current and future requirements.



Developing Industry Leaders

Thomas Concrete, Inc. participates in several local, state, and national associations to promote the industry, network with others in and/or associated with the industry, and provide opportunities to develop our team members. One educational and developmental program TCI supports is Developing Industry Leaders (DIL), which is offered by the National Ready Mix Concrete Association (NRMCA).

Participants in the DIL program are nominated by their member companies. Once accepted into the formal year-long and informal career-long experience,

participants are given the opportunity to network with peers and senior leaders from across the country while also learning about issues (and solutions) facing the ready mixed concrete industry. This is a career-long experience; it is not bound by age or geography or time; it is not a short-term perk. Once the initial two-year program ends, participants are expected to attend DIL alumni and leadership events as well as other NRMCA activities. Ongoing involvement builds the pipeline of future, industry-knowledgeable leaders.



Thomas Concrete Group supports UNHCR's work in Ukraine

Thomas Concrete Group has supported the United Nations High Commissioner for Refugees (UNHCR) in Ukraine by donating to their cause in 2023. The company recognizes the importance of UNHCR's work during the ongoing crises in Ukraine.

Community Involvement

Thomas Concrete Group supports The World Childhood Foundation

In addition, Thomas Concrete Group has continued to support the World Childhood Foundation's work with children's rights in 2023. The foundation was founded by Her Majesty Queen Silvia of Sweden in 1999 to support children at risk around the world and to fight for every child's right to a childhood.



Thomas Concrete for East Georgia Cancer Coalition

Thomas Concrete, Inc. hosted its Annual Charity Golf Tournament on October 24, 2023, at the Stone Mountain Golf Club. This event is a favorite that brings together vendors, customers, and team members each year. Stone Mountain Golf Club ensures a remarkable golfing experience and is equipped with two courses, which allowed TCI to host 224 golfers.

East Georgia Cancer Coalition is the organization that was selected to receive the proceeds from this year's event. The mission of the East Georgia Cancer Coalition is to ensure people receive cancer prevention education, screenings, healthcare system navigation, family and survivor support and information about the latest cancer research discoveries.

Through the support of generous sponsors and proceeds from a silent auction and event day fundraising, Thomas Concrete was able to donate \$50,000 to East Georgia Cancer Coalition.





Human Rights and Anti-Corruption

Our Code of Conduct is a policy document that serves as a baseline for our personnel in their day-to-day work. It is supported by education, routines, and instructions.

Our Code of Conduct includes the following principles:

- We provide equal opportunities without regard to nationality, skin color, gender, religion, sexual orientation, social or ethnic origin.
- We do not allow discrimination or harassment.
- We provide a safe and healthy working environment and work for continual improvement.
- We work against corruption in all its forms, including extortion and bribery.

In Germany, our Groupwide Code of Conduct is part of the employment contract. Every employee has signed this and acts in accordance with it.

At Thomas Concrete, USA, the sales teams participate annually in antitrust training delivered by local attorneys. The training serves to educate employees about the existing laws governing antitrust and competition for the purpose of preventing unfair agreements/arrangements from being made.

At Thomas Betong, Sweden, the Whistle blow function has

been implemented since 2022 in accordance with EU regulations. External as well as internal whistleblowers are welcome to use the tool. Introducing this additional and anonymous channel increased the awareness and importance of always addressing behaviors that are not in accordance with our Code of Conduct.



Economy



Economy



Financial Responsibility

For Thomas Concrete Group to be socially and environmentally responsible, we must remain financially solid. Without conducting profitable business, we cannot invest in the research and innovation that ultimately leads to the development of sustainable societies.

Thomas Concrete Group is an independent, family owned company. It was founded by Mr. Martin Thomas and the Group is still owned by the Thomas family, a family that has a sincere wish to nurture and develop the company for the future as a strong international and independent group.

In 2023 the Family Thomas Foundation awarded a grant for the Master Thesis titled "Optimization of Piled Foundations: An Exploration of Material Efficiency Using Computational Tools". The thesis analyze potential reductions of embodied carbon in piled foundations by leveraging parametric design tools. The study aims to guide structural engineers in creating more CO₂-efficient structures.

The foundation also awarded Chalmers University of Technology 7.5 million SEK for a research project exploring next-generation binders for concrete. The project will span during five years, with a focus on understanding how the properties of new environmentally friendly binders, such as volcanic ash and calcined clays, impact concrete performance.

The Thomas Family's goal has always been to build a business for future generations and to reinvest a majority of the profit. From the beginning, Thomas Concrete Group has aimed for a sustainable business, one that is profitable in the long term, and which creates a good workplace for its employees. By valuing accountability, compliance, clearly defined objectives, and good dialogue, we desire to be our customer's preferred concrete supplier.

Our long term financial objectives are ambitious. Overall annual targets are set and agreed upon in the forecast process, allowing us to improve results with each step along the way and achieve our vision of being perceived as the best in our industry.

Solvency

TARGET 2025 > 40 %

ACTUAL 2023 52 %

2022	2021
46.9 %	48.0 %



Our Business Model

Team Thomas' core business is to develop, produce and distribute concrete products. The Group has a total of 167 ready-mix concrete plants as well as four plants for production of precast concrete elements. The Group also offers services, such as concrete pumping, quality controls and technical advisory, making Team Thomas a complete concrete supplier.

Thomas Concrete Group values long term investments and focuses on developing its business responsibly. This means that Thomas Concrete Group has an ambitious sustainability agenda with human and environmental focus in every detail.

We have served the market and our customers well in the past and we will continue with this, keeping a long-term focus to expand and to maintain our position as The Concrete Specialists.





Our Challenge

The economic situation can change suddenly, and it is not always easy to predict in time. The current situation in the world serves as proof of this. Quick downturns in the overall economy, increased prices of raw materials, increased interest rates, and a decreased number of project starts in the construction market are some of the threats to our success.

The Russian invasion war in Ukraine is causing a deep humanitarian crisis that traumatically affects millions of people in Ukraine but also in the neighboring countries. The war continued to amplify the economic challenges triggered by the Covid-19 pandemic. The consequences to companies are mostly seen in Europe and so also to our Group. The costs of energy and fuel were higher and so also for transportation and raw materials, including binders and aggregates. Production and financing costs increased for the construction sector and as a consequence the residential segment in Europe declined substantially.

For us, this means that our costs have increased and will continue to do so also in 2024. Hence, we will continue increasing our prices and find ways of being even more efficient and reduce costs. At the same time, we are an independent family owned company thinking long term and therefore, we will try to find ways of bridging over to an expected better market in the years to come. But in the short term, we are facing an even more challenging market, particularly in Europe, with fewer project starts and more delayed projects, in addition to the cost-related challenges.

Regardless of the economic situation and upcoming challenges, we will handle it together as a strong Team Thomas – The Concrete Specialists. Having team members with high-level expertise, education, and sales competence is imperative to ensuring that we are the closest to the customers and their go-to supplier.



How We Have Reported

THIS IS THOMAS CONCRETE GROUP

This sustainability report constitutes the Group's and the company's statutory sustainability report and is part of the administration report for Thomas Concrete Group AB with organization number 556062-2812. The board is responsible for the sustainability report and for its preparation in accordance with the Swedish Annual Accounts Act. This year's sustainability report refers to the financial year of 2023 and contains information about the Group's sustainability work. The reported information and figures are aggregated for the whole group, containing information from all five main subsidiaries: Thomas Betong AB (Sweden), Thomas Concrete, Inc. (USA), Thomas Beton GmbH (Germany), Thomas Beton Sp. z o.o. (Poland) and Thomas Cement AB (Sweden). The report covers the ready-mixed concrete and precast concrete businesses. A selection of KPIs and main activities have been highlighted. All areas are more thoroughly followed up country-wise.

ENVIRONMENT

Binder optimization

In this report we focus primarily on binders since they have the greatest environmental impact. The cement and alternative binder use is based on purchased volumes, volumes from our production systems, and manual analyses. When we measure binder optimization, we summarize the volume of purchased alternative binders with preblended alternative binders in our purchased cement.

The share of alternative binders has remained quite stable over the past three years, however, on a level half-way from our target. This is mainly due to lack of availability of fly ash and slag as well as a tradition of using traditional concrete* by the market.

Energy

Figures on energy consumption are derived from invoices and suppliers from our ready-mix plants as well as our precast plants. Energy consumption is measured in kWh from electricity, diesel, and heating oil in liters. Total energy consumption is calculated using table values of energy content. We present usage per produced cubic meter. We have a few plants with natural gas in Germany and a few in the USA, and a few with district heating in Sweden.

Also this year, we have put increasing efforts in reviewing our energy data. This, in combination with unusual warm summer in the USA and cold winter in Sweden, and lower production volumes result in slightly higher energy consumption per cubic meters compared to previous years.

Water recycling

Plants with water recycling systems are calculated as a percentage of our plants. In parallel to upgrading existing plants, we continuously upgrade and restructure our plant network. This leaves us with a varying number of plants.

*Traditional concrete is a concrete that is produced without alternative binders.

SOCIAL RESPONSIBILITIES AND PERSONNEL

"To us, people and environment are crucial" – it is not just a saying. We invest a lot in our personnel, in international charity, and in making Team Thomas a positive change in local communities. We measure this through our Employee Surveys and to some extent also through our Customer Surveys.

SAFETY

Safety statistics are calculated with LTI (Lost Time Injury) and are presented as an aggregated number for the whole Group.

A history of poor safety results has led us to raise focus on safety and over the last few years we've seen a rapidly changing positive trend toward better physical safety performance. Our five-year goal is to be recognized as being the best in our peer group, with our safety performance in the top quartile.

EMPLOYEE SATISFACTION

Health and satisfaction statistics for our employees are measured with Engagement Index (EI). EI is based on surveys handed out to all employees. Last survey was done in 2021. Next will be done in 2024.

ANTI-CORRUPTION

Corruption is a risk that we keep under constant focus. For the moment we do not see it as a high-risk issue. With our Code of Conduct, which we continuously review and update, as well as our training in competition law, we feel secure that we maintain our business ethics on a high level.

HUMAN RIGHTS

We run a local business no matter where we operate. We have 100 percent traceability of our materials and products which most certainly leaves us in a good position of saying that we fulfill, along with our main suppliers, the Universal Declaration of Human Rights. Our challenge is to make sure that our evaluation of suppliers is good and thorough enough, that it is being carried out at given intervals, and that we succeed in tracing those few suppliers who operate in countries outside of those from our subsidiaries.

Today our follow-up varies within the Group, partly because some of our plants are ISO certified and others not. We are evaluating a common method of setting our goal for Human Rights.

WHERE DO WE GO FROM HERE?

Launching our first Team Thomas Sustainability Report in 2016 was a great step. For the financial year 2025, we will report according to the European Sustainability Reporting Standards (ESRS).

Finally, I wish to thank you for taking your time to read Team Thomas' Sustainability Report, and I hope that you will follow our journey. Please, feel free to contact us if you have any questions.

Hans Karlander

CEO and President, Thomas Concrete Group AB
hans.karlander@thomasconcretegroup.com

Report written by Louisa Thomas with input from the Team Thomas organization and various surveys.

